

Blue Ribbon Task Force on the Issue of the Potential  
Impact of Federal Block Grant Funding and Other  
Federal Actions on Medicaid in North Carolina

Report to the  
1995 General Assembly of North Carolina  
1996 Regular Session

[May 22, 1996]





NORTH CAROLINA GENERAL ASSEMBLY

**To the Honorable Marc Basnight, President Pro Tempore of the Senate; and the Honorable Harold Brubaker, Speaker of the House of Representatives; and the Members of the 1995 General Assembly (Regular Session 1996):**

The Blue Ribbon Task Force on the Issue of the Potential Impact of Federal Block Grant Funding and Other Federal Actions on Medicaid in North Carolina submits for your consideration the following report on its study of the potential impact of federal block grant funding and other federal actions on Medicaid in North Carolina, pursuant to Section 23.5A of Chapter 507 of the 1995 Session Laws.

At the end of the 1995 Session, it was anticipated that Congress would convert Medicaid to block grants to the states with unspecified reductions in projected funding and with federal requirements that the states' programs be significantly restructured. To date, none of the anticipated federal changes have yet to occur. Despite the absence of new federal legislation, the Task Force met four times to educate itself about the current Medicaid system and to learn about potential new ways to deliver services with anticipated lower funding in preparation for the possibility of grant funding later this year.

The Task Force met on December 5, 1995 to organize and to hear a history and current status of the Medicaid program. The members asked a number of questions of the Medicaid staff and the Task Force staff. These questions and answers are contained in the Task Force minutes.

The Task Force continued its exploration of the current Medicaid System on January 5, 1996. The staff prepared a very detailed briefing on the nuts and bolts of the Medicaid program. In discussions with federal officials and the Medicaid staff, it began to appear that no significant changes in Medicaid



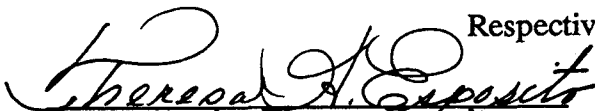


would be passed by Congress before the 1995 General Assembly (Regular Session 1996).

Since managed care has begun to play a larger role in the delivery of medical care, the Task Force devoted its last two meetings, held in February 29, 1996 and March 19, 1996 in exploring the managed care delivery system. This review was extensive and wide ranging and the record of these two meetings is available to any member wishing to learn more about this subject.

No further meetings of the Commission were scheduled pending the enactment of Medicaid legislation in Congress. The Task Force recommends the reauthorization of this study with the same scope as contained in the legislation passed by the 1995 General Assembly and recommends that the reauthorized study report to the 1997 General Assembly.

Respectively submitted,

  
Representative Theresa Esposito

  
Senator William N. Martin

**Blue Ribbon Task Force on the Issue of the Potential Impact of Federal Block Grant Funding and Other Federal Actions On Medicaid in North Carolina**



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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95-LFZ-331(5.15)

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: Medicaid Study Extension.

(Public)

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Sponsors: Senator Martin of Guilford \*Representative Esposito.

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Referred to:

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1 A BILL TO BE ENTITLED  
2 AN ACT RECOMMENDED BY THE BLUE RIBBON TASK FORCE ON THE ISSUE OF  
3 THE POTENTIAL IMPACT OF FEDERAL BLOCK GRANT FUNDING AND OTHER  
4 FEDERAL ACTIONS ON MEDICAID IN NORTH CAROLINA TO EXTEND THE  
5 STUDY.  
6 The General Assembly of North Carolina enacts:  
7 Section 1. Section 23.5A(d) of Chapter 507 of the 1995  
8 Session Laws reads as rewritten:  
9 "Sec. 23.5A. (a) There is established in the General  
10 Assembly a Blue Ribbon Task Force on the issue of the potential  
11 impact of federal block grant funding and other federal actions  
12 on (d) The task force shall report the results of its  
13 study, together with any legislative proposals and  
14 cost analyses, to the 1995 General Assembly,  
15 Regular Session 1996, within a week of its  
16 ~~convening or~~ convening, to a special session of the  
17 1995 General Assembly called to deal with federal  
18 block grant funding ~~issues~~ issues, or to the 1997  
19 General Assembly within a week of its convening."  
20 Sec. 2. This act is effective upon ratification.

